

Message Text

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PAGE 01 LONDON 11782 181658Z
ACTION EB-07

INFO OCT-01 ISO-00 AF-10 ARA-10 EA-07 EUR-12 NEA-10
IO-13 OIC-02 AGRE-00 USIE-00 CIAE-00 COME-00
INR-07 LAB-04 NSAE-00 EPG-02 SP-02 STR-04 TRSE-00
FRB-03 OMB-01 INRE-00 L-03 ITC-01 SSO-00 /099 W
-----102059 181704Z /46

O R 181627Z JUL 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC IMMEDIATE 6211
INFO AMEMBASSY BRUSSELS
AMEMBASSY MANILA
AMEMBASSY TOKYO
AMEMBASSY BANGKOK
AMEMBASSY BRASILIA
AMEMBASSY BUENOS AIRES
AMEMBASSY CAIRO
AMEMBASSY CANBERRA
AMCONSUL DURBAN
AMEMBASSY GEORGETOWN
AMEMBASSY GUATEMALA
USMISSION GENEVA
AMEMBASSY MOSCOW
AMEMBASSY NEW DELHI
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY PORT LOUIS
AMEMBASSY PRETORIA
AMCONSUL RIO DE JANEIRO
AMEMBASSY SANTO DOMINGO
AMEMBASSY SUVA
AMEMBASSY MBABANE
AMEMBASSY MEXICO

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PAGE 02 LONDON 11782 181658Z

USOECD
USEEC
FOR: EB/TRP: MR. O'DONNELL

E.O. 11652: N/A
TAGS: EPAP, ETRD, ISO
SUBJECT: SUGAR -- CONVERSATION WITH ARGENTINE REPRE-

SENTATIVE ON US STOCK PROPOSAL

REF: LONDON 11562

1. EMBASSY COMMODITY OFFICER DISCUSSED US SUGAR STOCKING PORPOSAL IN SOME DETAIL WITH ARGENTINE EMBASSY COUNSELLOR ANTONIO SEWARD ON JULY 15. SEWARD WILL HEAD ARGENTINE DELEGATION TO THE JULY CONSULTATIONS.

2. SEWARD'S REACTION WAS POSITIVE. HE SAID ARGENTINA AGREED PRIORITY SHOULD BE GIVEN TO STOCKS AT JULY MEETING AND SAID HIS DELEGATION WOULD BE PREPARED TO MOVE IN IMMEDIATELY IN SUPPORT OF US TO FOCUS ATTENTION ON STOCK PROBLEM.

3. SEWARD FELT MAJOR THRUST SHOULD BE TOWARD AGREEMENT IN PRINCIPLE, AND MEETING MUST AVOID GETTING BOGGED DOWN ON INTERMINABLE DISCUSSION OF DETAIL (E.G., WITH EACH COUNTRY PLEADING ITS SEPARATE CASE FOR A SLIGHTLY DIFFERENT VIEW OF THE VALUATION OF CARRYING COSTS). NEVERTHELESS, SEWARD FELT A COMMON DEFINITION OF WHAT COMPRISED "CARRYING COSTS" WAS IMPORTANT.

4 CONCERNING CONCEPT OF US PROPOSAL, SEWARD SAID THIS SHOULD BE GENERALLY ACCEPTABLE TO ARGENTINA (WHICH, HE SAID IS MORE FORTHCOMING ON STOCKS THAN OTHER EXPORTERS), LIMITED OFFICIAL USE

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PAGE 03 LONDON 11782 181658Z

ALTHOUGH, OF COURSE, THE PRECISE LEVEL OF STOCKS WOULD HAVE TO BE NEGOTIATED (EMBOFF GOT IMPRESSION SEWARD'S STARTING POINT WILL BE AT AROUND 2 MILLION TONS).

5. HE NOTED WITH APPROVAL THAT US PROPOSAL TO ASSIGN "STOCKHOLDING RESPONSIBILITY...PROPORTIONATE WITH QUOTA DISTRIBUTION" WOULD TEND TO PUT A DAMPER ON EXCESSIVE QUOTA ASPIRATIONS, THUS CONTRIBUTING TO AIM OF ACHIEVING REALISTIC QUOTAS. HE NOTED -- NOT WITHOUT A DEGREE OF SATISFACTION -- THAT THIS ALONG WITH VERIFICATION WOULD NOT MAKE THE CUBANS HAPPY.

6. CONCERNING OVERALL STRATEGY, SEWARD AGREED JULY CONSULTATION LIKELY TO SIGNIFY LAST CHANCE FOR A NEW ISA, AND HE PERSONALLY WOULD SEE LITTLE SENSE IN GOING BACK TO GENEVA IN SEPTEMBER IF NO PROGRESS MADE. HE DOES NOT EXPECT CUBANS TO CHANGE POSITION AND HE AGREED THAT WHILE US PROPOSAL MIGHT EVENTUALLY MAKE IT SIGNIFICANTLY EASIER FOR THE EEC, IT WOULD NOT BE REASONABLE TO EXPECT INSTANT EEC ENDORSEMENT AT THE JULY MEETING. IN SUM, SEWARD BELIEVES THE REST OF US SHOULD PRESS AHEAD, LEAVING CUBA AND EEC TO ACCOMMODATE SELVES TO WHATEVER

IS WORKED OUT BY OTHERS. SEWARD LEFT NO DOUBT THAT HE
IS PERSONALLY QUITE PESSIMISTIC ABOUT THE OUTLOOK FOR
SUGAR IF AGREEMENT IS NOT REACHED NOW ON A NEW ISA.

BREWSTER

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, DIPLOMATIC DISCUSSIONS, FINANCIAL PROGRAMS, BONDS (SECURITIES), MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON11782
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770255-1367
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770748/aaaabovz.tel
Line Count: 121
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 73911d68-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Exemptions: n/a
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Status: NATIVE
Subject: SUGAR -- CONVERSATION WITH ARGENTINE REPRE- SENTATIVE ON US STOCK PROPOSAL
TAGS: EPAP, ETRD, US, AR, ISO
To: STATE USOECD MULTIPLE
Type: TE
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Review Markings:
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